

PROVINCE OF ONTARIO.

FINANCIAL STATEMENT

OF THE

HON. ADAM CROOKS,

PROVINCIAL TREASURER,

TO THE

LEGISLATIVE ASSEMBLY, JAN. 16, 1877.



TORONTO :

PRINTED BY HUNTER, ROSE & CO., 25 WELLINGTON STREET,
1877.

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MR. SPEAKER,—I rise to make the formal motion that you do now leave the chair, in order that I may take the opportunity of placing before the House the financial position of the Province of Ontario as it stood on the last day of 1876. I am fortunate on this occasion, in being able to refer to our financial position as of the last day of the calendar year just closed. I shall not be able to place the formal statement of the receipts and expenditures for 1876, before the House, until after the lapse of a few days, but, in connection with any explanatory observations of mine on the estimates now before the House, I propose, firstly, to explain to the House, and through the House to the country, what the position of the Province of Ontario was in respect of what may be termed the surplus of assets over liabilities at the close of the year 1876. A reference to the statement which I presented last session, will show what have been the operations of 1876, with reference to this question of the surplus of assets over liabilities. In the statement which I presented last session the gross surplus, having regard to our then assets over liabilities, as of the 30th September, 1875, was shown to be \$5,096,376.84 of an excess of assets over liabilities. Hon.

members will be glad to understand that, notwithstanding the legislation of last session, in the direction of making further grants to railways, which added nearly half a million of dollars to our liabilities over and above the liabilities as they appeared in my statement of last session, the surplus remains almost at as large an amount as it was on the 30th September, 1875. (Hear, hear.) They will find that, notwithstanding this large additional charge for liabilities imposed by the railway legislation of last session, on the 31st December, 1876, this Province occupied the proud position of being able to rejoice in the possession of a surplus of \$4,873,203.25. If hon. members will look into the particulars of my former statement, they will find the gross assets on the 30th September, 1875, amounted to \$7,790,578.37, while our total assets as of the 31st December, 1876, are \$6,858,811.30; and our liabilities have been reduced in a corresponding proportion. Our liabilities, as they stand on the 31st December, 1876, are \$1,985,608.05, while on the 30th September, 1875, they amounted to \$2,694,201.53. We have been, in other words, improving our position by a sum of nearly \$300,000: for while our assets have been reduced by \$900,000, and our liabilities by \$700,000, half a million has been added to the latter. Subsequent to my statement in reference to the position of the Province on the 30th September, 1875, I entered with much detail into an explanation of our different assets, and of the *per contra* of our liabilities, not only when I last addressed the House, but also in introducing the estimates for the previous year (1875). Those explanations of mine are permanently on record, and I do not propose on this occasion to cover the same ground. It became necessary on the two occasions to which I have referred, to be extremely explicit in these explanations, as it did not appear that either hon. members or the country were in possession of detailed information on these points; but there can be no question that on the 31st December, 1876, the true position of the Province of Ontario, assuming that one was to consider its position as if one were examining into the affairs of any private society, was of this favourable character, and that the Province was in possession of a surplus of assets amounting to very little under five millions of dollars. I may mention in connection with this, that there has been a very large reduction in connection with that legislation, the direct object of which was to reduce our surplus. When Mr. Blake proposed an addition

to the Railway Fund and also created the Railway Subsidy Fund, in 1872, and when the present leader of the Government proposed his very large scheme for the distribution of the surplus fund of the Province among the municipalities, it was thought the effect would have been to force the country to disturb some portion of its invested surplus; but I am happy to say that not a single dollar of our securities invested in Dominion Stock and Debentures bearing interest, has in any way been dealt with. They have remained in the same tranquil position ever since I have been Treasurer of the Province, and there has been no necessity for disturbing them, and I feel sure there will be none until the day when the principal becomes due and we are called upon to realize it. We have had more than \$500,000 standing to our credit since December, at interest in the different banks, and immediately afterwards the large sum of nearly two-thirds of a million dollars comes to us semi-annually from Dominion payments. So that hon. members and the country can be satisfied that not a single dollar of what represents the securities of this Province has been disturbed, and I am in hopes that, when my tenure of this office ceases, I may be able to hand over these investments in the Dominion of Canada securities intact to my successor. (Applause.) I may at once show hon. members what has been done in using the funds which were available as special deposits and on current account in different banks. I will at the same time show how very rapidly we have been enabled to discharge all the additional liabilities I have mentioned, because when we turn to the statement of the 30th September, 1875, we find that the amount still unpaid upon the Railway Aid Fund was \$941,258, while what now remains to be paid is \$498,762.35 — about half the amount. We have discharged the different grants upon the Railway Subsidy Fund, so that on the 31st December last, only \$198,356.10 of the yearly credits to that fund remained, and we have almost discharged our obligations to the municipalities in connection with the distribution of the surplus, so that, out of \$3,115,733.66 of principal money, we have paid up to the 31st December no less than \$2,672,050.46 leaving the moderate amount of \$443,683.20 to be paid over to those municipalities who have not yet drawn their share of the surplus. Hon. Members will find that, in connection with the operations of the year 1876, I am able also to submit a satisfactory statement. If the Public Accounts were before hon. members, they would, of course,

be able to see the details, but I propose now to give the gross results of the operations of the Treasury Department for 1876—first the actual receipts, and then the actual expenditures. The returns of the receipts of 1876 show the large amount of \$2,579,980.38, while the amount which I ventured to estimate would be received was \$2,350,000, so that the excess of the actual receipts over my estimated receipts amounted to \$229,980 38 ; while, in connection with the expenditure it will be seen that the actual expenditure was under the appropriations authorised by the House. The actual expenditure for 1876 was \$2,237,145, whereas I had estimated for an expenditure of \$2,360,317. If we take these two differences—the amount of actual receipts over estimated receipts and of actual expenditures under estimated expenditures—we have a surplus representing the operations of 1876 of \$353,152.38. (Hear, hear.) It may be worth while to refer to some particulars in connection with both these heads. So far as the actual receipts are concerned, there is an item here which I did not take into account in making my estimates. In estimating the receipts at \$2,350,000, I based the amount on the ordinary sources from which we derive our revenue, but the actual receipts comprise a sum of \$113,444 received from municipalities, in connection with the new debt. The other items of receipts also exceed the estimates I made. In the Crown Lands Department, for instance, which represents of course a very large figure of our receipts, over and above what is derived from Dominion payments, I find that the actual receipts under all the different heads—Crown Lands and Woods and Forests—were \$640,000, while my estimate was only \$588,000. I have a statement from the Department, which on another occasion it may be interesting to refer to, which shows how very closely indeed the estimate of the Department have been followed by the actual results in the receipts of the different years. I refer to this for the purpose of letting hon. members understand that these Crown Lands estimates are not conjectural, or at all likely to be wide of the mark, but based upon a very careful calculation on the part of the Department. The statement I refer to is a summary, showing the receipts of the Department of Crown Lands for the year 1872 to 1876, inclusive, covering both Crown Lands and Woods and Forests. Taking these two different heads of receipts, one finds that this is the average result—the estimated receipts from Lands for the five years averaged \$272,400, while the actual collections amounted on

an average to \$255,600. So, from Woods and Forests the average estimate for five years was \$542,800, and the average collections reached \$555,000. The total estimated receipts averaged \$815,200, and the total actual receipts \$810,000. As to Lands, the yearly deficiency in collections as compared with estimates averaged \$3,360; and, as to Woods and Forests, the average yearly excess in collections over estimates amounted to \$2,440. I have endeavoured therefore to estimate the receipts from Crown Lands Department by such information as has been furnished me by the Department, which, as this summary shows, has in the past been found to be nearly identical with the actual receipts. Coming then to some of the items of Expenditure for 1876, hon. members will find, when the detailed statement is before them, that the principal difference between the appropriations and the amount actually expended is made up of small sums in connection with the different appropriations. There is but one item in which the difference is larger than would be represented by ten thousand dollars, and that is the item for the Immigration service, where there has been a considerable saving on the amount appropriated last Session. The amount is sufficiently large to justify me in particularising it. The chief saving has been upon the item of advances in reduction of the cost of the passages of immigrants. For this purpose \$25,000 was appropriated, and only \$2,160 was expended. The other items in which there has been an under expenditure are items which are within ten thousand dollars, and most of them are very insignificant, but the total result is, as I have mentioned, a saving of actual expenditures as against the appropriations of \$123,172.

Mr. MEREDITH.—Is it a matter for congratulation that there are so few immigrants coming to the country?

Hon. Mr. CROOKS.—The subject, sir, is rather a large one, and perhaps the hon. gentleman will excuse my discussing it at present, as I am anxious to discharge my duty in as concise terms as possible. (Applause.) The next point is, what is asked of the House in the Estimates for 1877, and what ordinary revenue I propose to rely upon. The Estimates show that a gross total of \$2,540,223.10 is asked for the service of 1877, but that amount represents three different classes of items: firstly, expenditure on current account for carrying on the ordinary services of the country; next, expenditure on capital account for new erections and ad-

ditions to those institutions which now exist; and the other, cross entries in the Public Accounts. The amount asked on current account is under that voted for the year 1876 for the like purpose. The Estimates for 1876 authorised an expenditure on current account amounting to \$2,024,876.91, while what is now proposed is \$1,983,752.82. A difference, however, arises on capital account, for which an expenditure of \$284,130.94 was voted for 1876, while we ask for 1877 an amount of \$432,927.14, and it is chiefly in that particular, and that alone, that the Estimates for 1877 exceed those of 1876. If one looks at the different heads of service which will absorb the current expenditure, it will be seen that the difference is not very great in reference to any Department. There is a slight excess in 1877 in the Department of Civil Government—something like \$4,000. In Education, there is an increase this Session, the particular causes of which will be explained when the items are before the Committee. For Public Institutions there is a larger amount by \$4,000, the sum asked for Immigration is less, and in regard to Agriculture and Arts the amount is almost identical. For Hospitals and Charities and Miscellaneous Expenditure, the amounts are less. When we come to the other items, involving expenditure on capital account in the Public Works Department, and expenditures for Colonization Roads, we find the total represents a considerable increase, although the appropriation for 1876 for Colonization Roads exceeds that proposed to be asked during this Session.

Having, then, this amount of \$2,540,000 for which to ask appropriations, I do not propose to enter upon any minute estimate of the receipts for the present year. These receipts are, as I have often said, chiefly fixed. It is not my duty, and I hope it may never be the duty of any future Treasurer, to propose a scheme in the shape of a budget. The duty of the Treasurer here is simply to lay information as to the transactions of one year before the House, and to make provision for the coming year; but the funds for that purpose have hitherto been more than ample, and we have been able to raise a surplus equal to nearly five million dollars out of our receipts. The resources on which the receipts for 1877 are based, are the old sources from which we have in past years derived a large portion of our income. The only item subject to much fluctuation from one year to another—though not

if we take the average of the five years mentioned—is that arising from Crown Lands, or, rather, that part of it involved in the Woods and Forests Branch. But, having reference to the Estimates of 1877 furnished to me by that Department, I find that we can rely upon upwards of \$540,000 as the receipts for 1877, and I am confident this estimate has been very accurately and carefully framed, and, although it presents a smaller estimate than that furnished for 1876, this difference is not so great as to cause any alarm that the Crown Lands Department, or especially the Woods and Forests Branch of it, will not in future years be enabled to return to the Consolidated Revenue Fund a large amount of money annually, so as to enable us to satisfactorily carry on the operations of the Province. My estimate then for this coming year is \$540,000 from this source as against \$588,000 on which I based the estimates for 1876. There is a number of different items which come in and probably will swell this amount beyond the estimated sum of \$2,370,000, but it is not a matter of very much importance excepting when we come to consider our necessities for current expenditure as compared with our revenue, properly so called, from year to year. It would never be desirable to find that the current expenditure for one year would exceed the current revenue for that year. It is desirable in the management of the finances of the Province that there should be a considerable margin left as between the amount required to meet the current exigencies of the public service year by year, and the sources of that revenue which, as I have said, are fixed, and from which we cannot expect to gain more than from \$2,300,000 to \$2,500,000 each year as we go on. My next statement is one which I can also refer to with considerable satisfaction, the more especially as I was a member of Mr. Blake's Government, which undertook to deal with the formidable question of how properly to distribute in the interests of the country that very large sum of money which had been set apart by Mr. Sandfield Macdonald for railway purposes. Mr. Blake's Government undertook the responsibility not only of dealing with that large sum of \$1,500,000, less the small amount which had been paid out to the Northern Railway Extensions to Orillia and Meaford, but of adding to that sum, without assuming to recognise any other principle than the duty of the Province to aid to a limited extent those efforts which were put forward by localities in order to obtain greater railway facilities. Mr. Blake, in the

principle laid down for the distribution of the Railway Fund, had reference chiefly to the one great fact as to how far the local necessities of any particular locality required additional railway facilities. He did not assume to lay down a general scheme under which certain railways should be allowed to be constructed and certain proposed railways prevented, but he recognised simply the one duty on the part of the Province to offer that moderate amount of aid which, as supplementary to these local efforts, would result in the construction of the different aided Railways. It would have been quite open for the Government of the day to have settled upon a plan under which this Province might have been mapped out into areas to be traversed by new railways, and the question as to how far those new railways might or might not be competitive to existing railways would then have had to be considered; but the policy of the former Administration of Mr. Sandfield Macdonald in setting apart this fund, was not in any way to undertake any such comprehensive scheme as would undertake out of Provincial moneys to supply all those deficiencies in railway matters which this Province was no doubt suffering under. The policy which has been pursued since Ontario has been managing its own affairs, has been to discharge from Provincial funds the measure of duty imposed upon it from a Provincial point of view, and to encourage, as far as this duty extended, and was possible, those local efforts, the necessity of which the localities best express by their own local contributions. The principle upon which the Railway Fund has been distributed, cannot be said in any way to be one which originated a single mile of railway in the Province. The policy of the Province, under the Government of Mr. Sandfield Macdonald, and that which followed it, was not the cause. This was not possible, because, upon the very small Provincial contribution, no projector of a railway would have entered upon the construction of a single mile. The highest amount which the Statute authorized was \$4,000 a mile, while the largest amount which was provided for by the Orders in Council, introduced by Mr. Blake, did not exceed \$3,000 per mile, and one can see very clearly that that policy was nothing more than to make successful those local efforts which were evidenced by the localities providing the larger portions of the funds necessary to construct these new lines. By the discriminating rates of the existing railways, the progress of certain towns, and the general well-being of large areas

of the Province had been very much retarded. It was from the desire of such localities, in their own interest to protect themselves against other localities which had more favourable railway advantages, that this system of local railways was first called into existence. [Mr. Macdougall—hear, hear.]—and in no sense can any critic, who assumes to deal with this question of railway communication in the Province of Ontario, and to characterize this action of the Government as indiscreet or unwise, pretend to have any foundation whatever for such a statement. The true origin I have said, of local railways, has been mainly the action of existing railways themselves, especially in the matter of discriminating rates, by which they have almost crushed out the interests of one locality, while another with better railway facilities was making rapid strides of progress. Without going into details I may give the result of the Provincial action in granting aid to railways. Twenty-two railways have received grants of aid from the Ontario Legislature. Of that number, eleven have completed the total mileage aided, and received the Provincial grants. Just one half, therefore, have been finished to the full extent. Four have completed portions of their railways and received the grant for such portions. Six are now in course of construction, and only one has not yet made a commencement. Of these twenty-two railways, we find that ten were aided under Orders in Council, brought down by Mr. Blake in the session of 1872. Of these ten, seven have fully completed their works and received the Provincial grants, while two have received aid for the respective portions completed, and one only remains which has not yet entered upon construction. During the year 1876, we find that railway progress has still been continuing, and as Provincial Legislation provided only a very small proportion of the cost of completing this large number of miles of railway since Ontario became a separate Province, hon: members will, I am sure, feel that if there ever has been a wise policy of expenditure of public moneys it has been the railway policy, which, upon an invitation so slight as not to demand more than \$3,000,000, resulted in the expenditure of ten times that amount, or more than \$33,000,000. I have in previous statements given information derived from the Engineer of the Public Works Department as to railway construction in the Province since 1867. A large portion represents mileage not receiving

Provincial aid, such as the Great Western Air Line and the Main Line of the Canada Southern, and parts of other railways, such as the Toronto, Grey and Bruce, also, Wellington, Grey and Bruce, and the Toronto and Nipissing, which have not received Provincial aid. But the result shows a total expenditure of \$33,067,935 upon all railways constructed between 1867 and the end of the year 1876. During 1876, 165 miles of railway were completed, at a cost of \$2,979,064 ; in 1875, 186 miles; in 1874, 92 miles, and from 1867 to 1873, inclusive, 1,018 miles. In the first place, therefore, this statement confirms the wisdom of the policy of the different Governments which have been assuming to advance Provincial funds in aid of railway enterprises, in the most satisfactory manner, and clearly shows that there was a pressing local necessity, when from other sources nearly 30 millions of dollars were raised, while the Government of Ontario was only called upon to advance one tithe of the amount. Another mode of showing that this increase in our railway system has had its origin in the local wants which I have mentioned, is by a reference to the statement which appears upon the returns of the House, showing that the municipalities have voluntarily added to their debt for railway purposes a sum nearly equal to \$7,000,000. All of this has had a most important bearing upon the position of the Province of Ontario at the present time. There are times when works of a permanent character can be advantageously undertaken, where the means for constructing these works are readily obtainable, where securities are convertible in the market, and, although prices may be high, yet, at the same time, if these undertakings were entered upon at a proper financial juncture, there is every probability of their reaching completion. My statement shows a complete justification for such action as the Government and Legislature of Ontario is responsible for, when in so many railways projected, so large a mileage has been finished, and expenditures have not yet ceased. During 1877 railway works will still continue in progress. All this means additional strength given to the business interests of the country which, if taken away, would have rendered those interests much less prosperous than they now are. I have felt that it was owing to the general feeling prevalent among the people of Ontario for further railway facilities, which, in a very useful, prudent manner, was responded to by the Legislature, that our position is such as it is at present ; and that the great progress which has been

made by the people of Ontario since 1867 is, to a large extent, to be attributed to the distribution of moneys throughout the length and breadth of Ontario, not only over miles of railway which were being called into existence, but in the policy of this Government in assuming to distribute three millions of dollars among the municipalities, mainly for works of permanent character, which has added to the business resources of our people during the last few years. This large sum of nearly \$3,000,000 which has been expended for various purposes in the local municipalities has been of the greatest advantage, and, in my belief, no better disposition could have been made of this large provincial fund. The distribution has been made judiciously, and the result has given the highest satisfaction. In my judgment, it will be a long time before it will become necessary, in carrying on the ordinary operations of the Ontario Government, and discharging fully all its duties efficiently, to go beyond those fixed sources of revenue upon which we have been relying in the past. (Cheers.)

I thank hon. members for their attention, but I am afraid my remarks have not been as clear and comprehensive as they might have been, as I have had little opportunity since my illness of considering the matters which it has been my duty to lay before the House. (Loud applause.)

DOCUMENTS REFERRED TO IN SPEECH.

No. 1.—STATEMENT OF THE ASSETS AND LIABILITIES OF THE PROVINCE OF ONTARIO, ON 31st DECEMBER, 1876.

I. ASSETS.

1. Investments—

(a) Dominion 6 per cent. in Stock and Bonds	\$ 850,000 00	
Do. 5 per cent. Debentures, £400,000		
Sterling cost	1,897,805 01	
		<u>\$2,747,805 01</u>
(b) Special Deposits in Banks at 5 per cent. interest	508,208 76	
(c) Balance to credit on current cash accounts	40,601 86	
(d) Drainage 5 per cent. Municipal Debentures:		
Amount purchased to 1st January 1877	173,069 49	
(e) Drainage, Municipal Rent:		
Charges for works completed and now in course		
of assessment	\$186,492 62	
Charges for works now under construction.....	130,572 12	
		<u>317,064 74</u>

2. Special or Trust Funds with Dominion of Canada—

(a) Upper Canada Grammar School Fund—Estab- lished 2 Vic., cap. 10, and 250,000 acres al- lotted to it	\$ 312,769 04	
(b) Upper Canada Building Fund (under 18 sec. Act of 1854, Seigniorial Tenure, set apart for local purposes in Upper Canada).....	1,472,391 41	
(c) Common School Fund (see Consolidated Statutes, cap. 26, 1,000,000 acres set apart), 5-9ths of proceeds realized to 1st July, 1867, \$1,645,644.42	914,246 90	
		<u>2,699,407 35</u>

By Act (Ont.), 33 Vic., cap. 9, sec. 5 (1869), these special Funds are made part of the Consolidated Revenue Fund of Ontario.

Annual Interest paid half yearly by Dominion on Funds :

(a) and (b).....	\$89,258 00
(c)	47,438 62

Total.....\$136,696 62

3. Value of Library—share assigned to Ontario by Arbitrators	105,541 00
4. Premiums over cost at market value of Dominion 5 and 6 per cent. Securities, held by Ontario	267,113 09
	<u>Total Assets.....\$6,858,811 30</u>

II. LIABILITIES, on 31st December, 1876.

1. Railway Aid Fund. Amount of grant	\$1,900,000 00	
Less amount paid to 31st December, 1876	1,401,237 65	
	<u> </u>	498,762 35
2. Railway Subsidy Fund. Amount of annual appropriations, 5 years to 31st December, 1876	\$500,000 00	
Less amount paid to 31st December, 1876	301,643 90	
	<u> </u>	198,356 10
3. Railway Grants, under Statute 39 Vic., c. 22		481,000 00
4. Surplus distribution to Municipalities—amount....	\$3,115,733 66	
Less amount paid to 31st December, 1876, for principal.....	2,672,050 46	
	<u> </u>	443,683 20
5. Quebec's share of "Common School Fund," collections since 1st July, 1867.		
Total collected to 1st January, 1877	\$ 818,564 44	
4-9ths of	<u> </u>	363,806 40
		<u> </u>
Total Liabilities.....		\$1,985,608 05
		<u> </u>
Total Assets		\$6,858,811 30
Total Liabilities		1,985,608 05
		<u> </u>
Surplus		\$4,873,203 25

No. 2.

STATEMENT showing Estimates and Collections, Land and Woods and Forests, Department of Crown Lands, for the years 1872 to 1876 inclusive.

Year.	LANDS.		WOODS AND FORESTS.		TOTAL. Estimates.	TOTAL. Collections.
	Estimated.	Collected.	Estimated.	Collected.		
1872.....	\$ c. 356,000 00	\$ c. 262,000 00	\$ c. 550,000 00	\$ c. 903,000 00	\$ c. 906,000 00	\$ c. 1,165,000 00
1873.....	250,000 00	226,000 00	800,000 00	643,000 00	1,050,000 00	869,000 00
1874.....	336,000 00	387,000 00	444,000 00	503,000 00	780,000 00	890,000 00
1875.....	262,000 00	204,000 00	490,000 00	289,000 00	750,000 00	493,000 00
1876.....	158,000 00	199,000 00	430,000 00	437,000 00	588,000 00	636,000 00
	1,362,000 00	1,278,000 00	2,714,000 00	2,775,000 00	4,076,000 00	4,053,000 00
Land : Average yearly Estimate for the five years.....						
Do Collection						
					\$272,400 00	
Woods and Forests : Average yearly Estimate for the five years.....						
Do Collection						
					\$542,800 00	
Yearly average of total Estimates.....						
Do Collections						
					\$815,200 00	
Land : Average yearly deficiency in Collections as compared with Estimates						
					\$3,360 00	
Woods and Forests : Average yearly excess in Collections over Estimates						
					\$2,440 00	

No. 3.—TABULAR STATEMENT showing mileage and approximate cost of construction on Railways in Ontario in 1876.

No.	NAME OF RAILWAY.	Length in miles completed or opened in 1876.	Estimated expenditure on works in 1876.	Length of miles in progress.	Estimated amount required to finish works.	REMARKS.
1	London, Huron and Bruce Railway—London to Wingham, 69 miles	39	\$410,000			Total expenditure to date, \$1,360,000.
2	Port Dover and Lake Huron Railway—Port Dover to Stratford, 63 miles	23	253,772			Total expenditure to date, \$711,000.
3	Brantford and Port Burwell Railway—Brantford to Tilsonburg, 33 miles	30	150,000	3	\$25,000	Total expenditure to date, \$350,000.
4	Kingston and Pembroke Railway—Kingston to the Mississippi, 60½ miles	6·86	61,121	13·83	238,879	9 miles graded north of Sharbot Lake, whole cost \$24,000 per mile.
5	Canada Central Railway—Renfrew to Pembroke	34·56	\$229,000			
6	Credit Valley Railway—Toronto to Ingersoll and branches to Elora, &c.		84,791	152	2,137,833	Total expenditure to date, \$940,205.
7	Belleville and North Hastings Railway—Madoc to Grand Junction Railway		44,000	22	436,000	Total expenditure to date, \$54,000.
8	Victoria Railway—Lindsay to Kilmount and Haliburton	32	407,273	23	443,804	\$5,000 expended this year beyond Kilmount.
9	Hamilton and North Western Railway—Hamilton to Georgetown		407,725	35·25	297,275	Graded throughout — 26½ miles iron laid.
10	Whitby and Port Perry extension Railway—Port Perry to Lindsay		182,766	27	249,234	24 miles graded — 9½ miles iron laid.
11	Lake Simcoe Junction Railway—Stouffville to Jackson's Point		108,616	26·50	273,000	18 miles graded.
12	North Simcoe Railway		40,000	35	577,000	Total expenditure to date, \$60,000.
	Total miles opened in 1876	165·42	\$2,979,064	337·58	\$4,678,025	
	Total miles under construction, 1876	337·58				
	Total	503	miles.			

The estimated cost of finishing these lines is given with reference to the mileage returned as under construction, without including any further proposed extension of any of them.

The estimated expenditure on each Railway in 1876 is taken from approximated returns received from the Secretaries of the several Companies,

(Signed)

T. N. MOLESWORTH,

Engineer, Public Works, Ontario.

PROVINCE OF MANITOBA.

ITS POSITION IN CONFEDERATION.

SPEECH

ON

BUDGET DEBATE,

BY

MR. GREENWAY, M. P. P.,

LEADER OF THE OPPOSITION IN THE
LOCAL LEGISLATURE,

ON APRIL 23RD, 1884.

SPEECH ON BUDGET DEBATE

BY

MR. GREENWAY, M. P. P.,

Leader of the Opposition in the Local Legislature.

Mr. Greenway, who, on rising was loudly applauded, said : —I feel that on this occasion I do not rise to address the House under ordinary circumstances. The Premier in making the motion to go into Committee of Supply, expressed the opinion that the discussion would probably cover a wide range ; and it is, I may say, customary on these occasions to review the actions of the Government of the day, and in doing so members are allowed the widest possible latitude of discussion. (hear.) To any one listening to the leader of the Government during the two hours he spoke on this question, it must be evident that the Opposition were, metaphorically speaking, supposed to be left without a garment. (Hear and laughter.) But I can stand here to-day and say conscientiously that I am more than gratified to find that my hon. friend did on an occasion of this kind make the speech he did. (Cheers.) It is certainly gratifying to me, as taking a great deal of interest in Manitoba politics for some time past, to find the leader of the Government standing up, and with the authority of his position —and he necessarily speaks with authority—enunciate views which I have entertained all along in reference to the great questions agitating the public mind to which he alluded. (Hear, hear.) Certainly the present position of affairs in our Province is deplorable. (Hear, hear.) We are called on now to consider the financial position of the Province, a subject on

which any one in the House, or outside it, at all well acquainted with Provincial affairs, cannot have any doubt. We cannot overtake our liabilities—thus much is abundantly evident. We have an annual subsidy made up in this way:—For legislation and government, \$50,000; the 80 cents per head of population, \$120,000; in lieu of land, \$45,000; interest on the balance of capital at our credit, \$12,153.24; total, \$227,153.24. No one conversant with our requirements as a Province will undertake to say that this is a sufficient sum, on which to conduct the affairs of the Province. Representations have been, as we know, frequently made at Ottawa, to change this state of affairs, but still they want remedying. No substantial, lasting, satisfactory readjustment has ever been arrived at. (Hear, hear.) We have, of course, that celebrated Ottawa despatch of April 2nd; but neither does that apply a remedy. (Hear, hear.) It seems to me inexplicable that in the face of repeated representations and remonstrances made by delegates from time to time, so little should have been effected—that our position grows worse instead of improving. (Hear, hear.) Some months ago, in addition to all previous representations made to Ottawa, we made out a strong case in favor of the extension of the Provincial bounds, so that we would be enabled to aid and control the projected Hudson's Bay Railway—a road which the people unanimously desired, and which was of the utmost consequence to the prosperity of the Province.

The response made from Ottawa, as contained in this celebrated despatch, was that the Government proposed to aid the railway to a material extent, and to provide that the interests of Manitoba should be protected. I am not aware that we have the slightest inkling as to how our interests are to be protected. (Hear, hear.) Whatever they may do, is, I suppose, to be taken as a protection of our interests. (Laughter.) This is a way they have at Ottawa. (Hear, hear.) And I must complain here that there has been a disposition to trifle with these important matters. Perhaps, Mr. Speaker, it might not be out of place for me to express a fear which I have

entertained for some time, that in this important matter, too, our interests have not been guarded so closely as they might have been—it is possible that it may turn out that what has been done in connection with the Hudson's Bay Railway may have been more with the object of delaying rather than expediting the construction of that road, which is to do so much for this country.

When this Legislature assembled in March last I think that the Governments of Ottawa and Manitoba understood then the position of affairs here as well as they do now. (Hear, hear.) But the one government suggested further delay and the other very obligingly took the hint in the resolutions and agreed to the appointment of a committee as a capital way of shelving the difficulty till a more convenient season. (Hear, hear.) The complaint here all along has been—not that the gentlemen at Ottawa did not understand the position of affairs in Manitoba—for they have had full information—the Premier's own clear and exhaustive statement supplementing all the rest—although it must be added they do not seem to have made the best use of that information. In their despatch they show an utter disregard of facts, which is astonishing. In sec. 2 of the despatch, referring to the financial position, they say that the basis in which we receive the 80 cents a head is on 120,000 souls, whereas they suggested when the last arrangement was made that for that purpose the population of our Province should be assumed to be 150,000 souls—and upon that basis was the \$120,000, or 80 cents per head, granted. From this it appears quite clear that upon this occasion at least they have not given the subject the most ordinary consideration.

In the next clause, referring to the financial position, I think we have the key to the whole situation. It is at least one with which members on the Opposition side would, on general principles, agree. They announce plainly enough that they have no confidence in the Government of Manitoba. (Cheers and laughter.) Still, I protest, in the interests of this

Province, against Dominion interference in our affairs. I say that the people here have a right to determine who shall govern them. (Cheers.) And so long as the Premier sits there—and can by any tactics he may use keep himself there—(laughter)—he has a right to the confidence of the people of Manitoba. (Hear and cheers.) These gentlemen at Ottawa, discussing our representations, say that they have been given a sacred trust in regard to our school lands, and do not propose to hand them over to us. (Hear, hear.) That is to say—the people of Manitoba cannot be trusted to do the best for themselves in this particular. (Hear and laughter.) I hardly think it is necessary to discuss the question as to whether these lands could be best administered here or at Ottawa, if their general management of the lands in this country is to be taken as a criterion of the manner in which the School Lands of this Province would be managed from these, then we are safe in saying that we object to its being done from the Dominion Capital. (Hear, hear.) We are certainly in a much better position to administer them here than they are at Ottawa, where they neither understand our position nor undertake to acquaint themselves fully with it. (Cheers.) As to our public lands, we are to ask not only for what remains, but also to require compensation for such as have been sold. On this point, I still hold to my view as being the correct one, viz., that as so much of our land has been alienated, we should undertake to devise some way by which an equivalent for that and for the lands still held should be received and added to our capital account. (Hear, hear.) That would, it seems to me, be the best way of disposing of the question. The absurdity of the position taken by the gentlemen at Ottawa is well illustrated by the comparison they draw between this Province and Prince Edward Island. Because the lands of Manitoba were purchased and Prince Edward Island had none to purchase, therefore, they say Manitoba should be placed in the same position as her sister Province by the Atlantic, and get an allowance. On the strength of this comparison they take the ground that \$900,000 should be added to our capital account, as representing the

amount we are entitled to receive in lieu of public lands. (Hear, hear.) The Premier took exception to the statement that the \$45,000 annually granted was in lieu of our right to our public lands. I can only reply that in this despatch they represent that the \$45,000 is given in lieu of our public lands. And the position I took was that we should not accept it as such.

Hon. Mr. Norquay--And I never consented, on the part of the Government, to part with our right to our lands for the \$45,000--nor did any member of the Government. (Hear, hear.) Prince Edward Island, which was cited as an analogous case, had not an acre. In Manitoba, where the people had their Crown lands, they were in a very different position from Prince Edward Island. (Hear, hear).

Mr. Greenway --The position they took at Ottawa was that it was in lieu of our lands we got the grant. (Hear, hear.) The other point in this connection as to the ten years' settlement is one which I took from a speech in the House of Commons on that question. It was by the Finance Minister of the Dominion--who ought to know. But it appears that hon. gentleman was wrong; and through his misstatement I was misled. No one could be more happy than I am to acknowledge the misunderstanding--which, perhaps, may prove a benefit to us in the end. (Hear, hear.) We have been all along anxiously looking for relief from our present difficulties; and we have been led to believe, all through this session, by the organ of the Dominion Government in this city--through its telegrams--that the question of Manitoba's interests was to be considered to-morrow--or next week--or on a certain day--it was always going to be done, but it never was done: and so the position remains to this day. (Cheers and laughter.)

Our contention on this side of the House is that the Government of Manitoba takes to-day a step that it ought to have taken long since. (Hear, hear.) They should long before this have shown the Ottawa authorities that they could not with impunity trifle with our best interests. (Cheers.) There

seemed to be at Ottawa a studied determination to ignore the representations of this Province. How else does it happen that a manifesto such as the Premier presented there, which was in itself quite sufficient to point to the necessity for prompt action, while at the same time disabusing their minds of the idea that Manitoba was draining away Eastern resources—how does it happen that with such an authoritative statement issued at the Capital, they still cling to their unfounded notions as to Manitoba being a burden to them? So much is this the case that one of the members supposed to be best informed—who is, it is believed, to become a member of the Government—hesitates not to commit himself to the stupid assertion that we are a pampered people—spoon-fed lot. (Laughter.) Evidently they take little pains to acquaint themselves with the position of this Province. (Hear, hear.) Let us for a moment endeavor to give a correct statement of our position in Confederation. And, in order that there should be no misunderstanding, I will take the public accounts of the Dominion as my guide. We find on pages 142 and 143, in the Public Works report for 1883, some figures bearing on this point. I have been desirous, for instance, to ascertain what amount of the cost of construction the C. P. R. is really chargeable to this Province, for it must be remembered that one of the statements they fling in our face is that they are building the C. P. R. for 'us. (Hear, hear.) Well, I find on looking into the figures, that the proportion which they say themselves ought to be charged to this Province on account of the C. P. R.—\$5,641,181.85—or, counting from the time we entered Confederation, to the year 1882, there is chargeable to us, according to their own showing for all purposes—a total of \$6,802,036.18. What do we see right alongside these figures? That in the same time Ontario received from Dominion sources and is chargeable with \$39,190,677.49; and Quebec \$27,356,334.37. And we should not forget, Sir, that neither Ontario nor Quebec contributed an acre of land towards the construction of the C. P. R. Besides all this, we saw the other day that that same Province

of Quebec got in the general grab made on the Dominion \$7,000,000 more. (Hear, hear.) What can be said of a Confederation, so ill-constructed, or managed that it allows of the perpetration of such acts? (Hear, hear.) The scheme was devised to build up a great new nation on this continent,—and the C. P. R. was to prove a potent bond of union between the scattered Provinces—in our innocence we regarded it as a great national undertaking in the interest of British Columbia as well as of ourselves and the other Provinces—but something more than the railway is needed to bind us together; and, manifestly, if ever we are to become a great people, it can only be by dispensing even-handed justice to all the Provinces confederated. (Cheers.) How can the Dominion prosper and hold together when such unrighteous acts as giving away \$9,000,000 are perpetrated for the reasons assigned? Quebec must be placed in a similar position to Ontario; and so we find the Federal authorities actually voting away millions of dollars to subsidize railways in Quebec, which railways had been already in part sold by that Province! So that Quebec actually got payment for that portion of them twice over. (Hear, hear.) With such facts before them, the wise men in the East, still speak disparagingly of this Province. In further refutation of this charge I will quote no less an authority than the Premier of the Dominion himself. As hon. gentlemen are aware the intention in reference to the eastern terminus of the C. P. R. for some time was, that it should be at Callander, but afterwards on account of the policy of assistance adopted by the then Dominion Government towards the Canada Central Railway, it was practically extended eastward as far as Ottawa.

Now this is the position taken by the leader of the Government at Ottawa during the debate on the celebrated railway resolutions, to which I have referred. Here the member for Mountain read from Sir John Macdonald's speech an extract, in which it was pointed out that until the easterly boundary of Manitoba was reached the whole of the C. P. R. ran through Ontario; that by subsidising that portion of the line running round the north shore of Lake Superior, the

whole country there would be developed; that the 12,000 dollars per mile for this section, and the grant to the C. P. R. sank into insignificance, so far as Ontario was concerned, on account of the enormous advantage she must gain in the opening up of that territory, which, undoubtedly, would greatly enrich that Province from the mineral, timber and other resources of the country about to be opened up—and that, therefore, as Ontario would be so much the gainer, it would be only fair that Quebec should get an equivalent grant from the public purse. That was the position taken by the leader of the Dominion Government; and we contend that until the C. P. R. reaches the Province line to the eastward, the Dominion has no right to say to Manitoba we built one foot of road for you. (Hear, hear.) In reference to the question of Provincial lands, I have some figures, taken from the blue books of the Dominion, giving as near as may be a correct return of the lands disposed of in Manitoba by the Dominion, from 1880 till the end of 1883. This is the statement: There were homesteaded during the four years 3,743,460 acres, on which the fees paid amounted to \$239,745; there were pre-empted during the same period 2,299,051 acres, on which the payments were \$139,673; there were cash sales, including scrip and warrant lands, to the extent of 2,025,758 acres, on which the fees paid were \$1,900,-963.50. This gives a total of \$4,403,584.52. It must be taken for granted that there is a large amount due the Dominion Government for lands sold in Manitoba. On the 1st of August, 1879, it will be remembered, the land regulations dividing the country into belts, came into force. Many of these lands were sold for one-tenth down, with ten years to pay the balance, and no doubt much of the amount is overdue. I know of many instances where the first payment of one-tenth is all that has been paid. The proportion now due Manitoba on that branch of the account would be \$356,751—making a total of \$4,760,335.52. This is, let me say, a low estimate of the amounts received by the Dominion from the sale of lands in this Province—and it is one which I know, falls far short of some of the estimates made by some members of the House of

Commons when undertaking to show that the C. P. R. was not going to cost Eastern people anything in the long run. (Hear, hear.)

To show the total amount of land alienated from this Province, my statement will have to be more comprehensive. I have shown that homesteads covered 3,743,460 acres; pre-emptions 2,299,351 acres; for cash and scrip and warrant lands 2,025,758 acres; but there are besides the Hudson Bay lands, 1,651,600 acres; the half-breed lands 1,400,000 acres; and the C. P. R. grant 1,500,000 acres—or a grand total of 12,609,869 acres,—more than equal to the area of the old Province of Manitoba. (Hear, hear.) In fact, this would include the whole country from a little east of Red River as far as the western boundary of the Province, and going as far north as townships 16 or 17, including the best portion of the Province,—over an area to that extent the Provincial lands have been all alienated. (Hear, hear.) I have not, it will be observed, included our school lands in figures given. They are ours and cannot be parted with; but for the rest I think an equivalent might be taken. We have been always told from Ottawa that the amount given us was so much to help us,—a sort of gift as it were, to enable us to pull through. But in no principle of justice can any such position be taken. (Cheers.) In every instance the amount given us was charged to capital account. We were, in reality, getting a portion of our own money. (Hear, hear.) And what should have been done was not to charge us with the amounts so added to capital, but only our proportion of the interest account. (Hear.) The Federal authorities, in making up their statement, go on to charge this Province with certain sums, such as the amounts for Government purposes, for public roads, for the expeditionary force, and for public works and buildings. In regard to these only a certain proportion can be reasonably charged to Manitoba. (Hear, hear.) If, as they say, they bought us, and paid for us, we certainly cannot be chargeable with the lump sums paid out. The \$1,500,000, for example, was paid for the extinguishing of the claims of the Hudson's Bay Company, not merely in

the Province, but over the whole of the Northwest; and if the proper area of this Province were compared with the Northwest, something like our proportion of the cost of the purchase could be ascertained. It would be about one-twelfth. Now, if we take the different items specified in the Dominion reports and add them up, it will be found that we cannot in reason be charged with more than \$8,607,224.24. It is a very different sum, indeed, from the \$45,000,000 with which some eastern legislator gravely proposes to charge us. (Hear, hear.) Now look at the credit side of the account and let us see how it will come out. The Federal balance sheet down to 1883, shows the amount to the credit of Manitoba from lands, customs, excise, post-office, and some smaller items, which, with the balance due on lands, makes a grand total of \$9,366,441.40. Deduct the subsidy, and adding the amount due for sales of land in the Province, and the actual balance in favor of Manitoba will be \$4,760,335.52. (Hear, hear.)

They have of course a right to charge us with interest on our share of the expenditures—the \$8,607,224.24 of which I spoke. The annual interest would be \$401,176, or, down to the present time, a little over \$4,021,765. During that period we were entitled to a credit of \$8,587,224.45, and deducting from this the amount due for interest, with the costs of administration of justice and collection of revenue, we have the balance I have mentioned in favor of Manitoba, viz.:—\$4,760,335.52—which amount, capitalized at five per cent., would give us annually \$238,016.77. (Hear.) From the statistics I have quoted it is plain that we are a large contributor to the Dominion. (Cheers.)

Six o'clock having struck, the debate was adjourned—Mr. Greenway having the floor.

EVENING SESSION.

The Speaker having taken the chair,

Mr. Greenway resumed his speech, saying—When the House adjourned I was about concluding some remarks on

figures which I had extracted from tabulated statements contained in blue books issued by the Federal Government, and I think I had shown pretty conclusively from these that, instead of Manitoba being a drain upon the resources of the Dominion, as eastern people generally assume it is, we have lying at our credit, when we have been charged with all that can possibly be charged to us, and credited with those sums to which we have a right, a sum which would yield when capitalized at five per cent. more than the revenue we derive from the Dominion to-day. When we read such facts as these from the accounts of the Dominion themselves it shows clearly that those gentlemen who undertake to consider our case, or more properly, do not undertake to consider it, have not looked into the facts of the case when they assume such positions. To say that we have a right to be charged for all the undertakings which they enumerate, and which amounts have been added to the debt of the Dominion—is to take a position, that the merest novice, in matters of finance, would see at a glance, was absurd.

As well might those people charge Ontario with the amount of nearly \$20,000,000 added to the capital debt of the Dominion of Canada for subsidies to the Grand Trunk Railway which was at the time they were granted considered a national undertaking, or with \$7,000,000 subsidies granted to Nova Scotia, or \$5,000,000 to New Brunswick, or \$3,500,000 to Prince Edward Island. These are sums added to the capital of the Dominion, and we are paying, as we all know, from figures given time and again, more than our just share of the interest of these amounts. It would be equally fair to charge Quebec, New Brunswick, and Nova Scotia with nearly \$30,000,000 that it took to construct the Intercolonial Railway, so that I do not think these people have an argument in their favor when they assume such positions as they have done ; in any case the figures are against them. Surely they cannot say they will not be guided by the figures which they published, and we have a right to assume that these figures are correct. They clearly show that while the Dominion Government continue their acts

of piracy towards this Province they are assuming a most untenable position. We have before our consideration the resolutions which have been adopted for the guidance of the delegates who are to proceed to Ottawa. This is not the first time that the Legislature of Manitoba has undertaken to give instructions to gentlemen entrusted with such a position. Upon another occasion the hon. gentleman who moved the resolutions yesterday moved similar resolutions, but we have had occasion to complain more than once that they did not enter into his consideration when he undertook to represent our case at Ottawa, or that he did not press them to their legitimate result, else we would not have been in the beggarly position we are in to-day. I refer to this, not so much to find fault at this time with that hon. gentleman as to warn the gentlemen who are undertaking the task of representing Manitoba's claims at this moment against anything like avoiding the instruction given on this occasion. These instructions, from the spirit in which they have been considered, are supposed to contain Manitoba's ultimatum to the Federal authorities. (Hon. Mr. Miller—hear, hear.) That fact should not be lost sight of. I undertake to say, as one who assisted in formulating these demands, that the representatives should consider that these resolutions do so contain the people's ultimatum. I think, Sir, it has been clearly shown that we have at the present time from our present sources of revenue, about one-half the amount necessary to meet our fair demands; and I think that I may be allowed to say that the estimate to which I shall refer more particularly at a subsequent time, is not an exorbitant one for the requirements of this Province at the present time. We might take, for instance, the estimates recently submitted to the Nova Scotia Legislature.

It is true they have a larger population, but being a comparatively old Province, they have not the same demands upon their resources. In this country everything is to be done; all kinds of public works, bridges, roads, etc., have to be constructed; aid has to be given for the purpose of organizing the different municipalities throughout the country. All that was

done in the Province referred to years ago; yet their estimates amount to \$536,000, or a little above the estimates we have at this time before us. Further than that, the time is very near in the history of Manitoba when we shall require double the amount we require to-day. I think, in order to develop properly this country, and undertake such works as will be necessary, we shall require at least \$1,000,000 revenue in a very short time. We have at present just one-fourth of that amount, hence it must be quite clear that we are in a poor position; but if our claims are considered at all in a fair light, we need not remain so long. Take for instance the Dominion Government's own assumption that we have at the present time 150,000 souls in Manitoba; if we carry this out to the proper conclusion they should be willing to add to our capital (at \$32.43 per head), giving \$4,864,500. Deducting the amount we were entitled to at the first adjustment, \$551,447, this, capitalized at five per cent., would give additional interest of \$215,752.65, or a total income (when added to the amount now annually received) of \$442,905.89, and with other resources we might reasonably add, we would be placed in a position to overtake the estimates before us. If the revenue from smaller sources, such as the sale of stamps and a few things of that kind were added to this amount, it would cover half a million dollars. But we should calculate at this time so as not to require to enter into the consideration of this subject again very soon. It is not too much to say, taking into account the amount of lands in Manitoba still unsold, and the amount sold and applied to Federal purposes, that we are entitled to capitalize on that account \$10,000,000, or half the amount estimated by some of my honorable friends opposite. It does appear strange that after all the efforts made from 1880 to the present time it should be necessary to discuss this question at such length to convince those people of our just claims; yet, from the despatch before us, from former considerations of this subject, from all the delays that have been made and the promises we have had that our claim would be taken into serious consideration, it does appear a most difficult task to establish it

upon the minds of the people at Ottawa that we have a just claim upon them for an amount sufficient to meet our responsibilities. We contend that, if the present policy is to be pursued, the bonds of Confederation must be burst asunder. But we may take the other view, that if they are going to pursue their policy of parental care over us, we must have a living, and can justly claim that we are entitled to a sufficient amount to meet our bare necessities, at least.

I hope that my honorable friends opposite are sufficiently impressed with the importance of this subject, and as we are about, in a few days, to adjourn for the purpose of having our representations urged in the proper quarter, I hope that it will be urged in an emphatic manner as the final demands made upon the people at Ottawa, in order to secure for us the amount necessary to maintain our existence as a member of Confederation. (Hear, hear.) This is the only spirit in which it should be urged. I only make the suggestion and warn our friends that no such trifling and dilly-dallying as has been manifested upon this subject up to the present time will be borne by the people of Manitoba (cries of question, question, from the Government benches.) We do not propose to be treated as children; I think that it is the feeling of the people of Manitoba, and I think there are mature men in Manitoba who are capable of looking after their own interests and mean to do it. If the people at Ottawa do not look after our interests the consequences will be fearful to contemplate so far as one Province of Confederation is concerned. What do we see? During the recent session of the Dominion Parliament, in which we have been told from day to day that Manitoba's claims would be considered and her just rights acceded to, we see the Federal Government voting in one short session of three months \$80,000,000. That means \$2,700,000 as our proportion added to the capital account of the Dominion or \$135,000 per year when capitalised at 5 per cent. Are these not serious consequences that strike one very forcibly at this moment, when a debt is piled upon our population of \$18 per head in the short period of three months? As a gentleman

remarked to-day in conversation, the Dominion Government may say when our representatives go to Ottawa (to use a Boss-Tweedism), "What are you going to do about it?" Well, it does appear to me as if they have just taken that position after all the representations that have been made to them. After the long despatch of March, 1883, to which no answer was given, and that of January, just about the time the Dominion House met, to-day that precious state paper does not propose the grant of an additional dollar to Manitoba. With these facts before us, we see them voting away millions of dollars to other Provinces already too highly fed, and we are called upon to pay our share, and more than our just proportion. When the Legislature met and we saw the manner in which our claims were being treated, my idea was that we should at once appeal to the Imperial Privy Council. I do not believe that we shall appeal there in vain if this treatment be still persisted in. I think we can easily show that we have been treated in such a manner that it would be far better, if the treatment is persisted in, that we should cease to be a member of Confederation. I do not want to say, and I shall not say that there is a sentiment in Manitoba in favor of annexation to the country south of us; I do not believe that any such exists extensively.

I believe there are just as loyal hearts in this Province as beneath the shades of St. James' Palace, but there is a loyalty that comes home, a loyalty to ourselves and the institutions under which we live. There is nothing in British institutions to compel people to sit silently under such treatment as this. I thought the time had arrived when we should make an appeal beyond those people at Ottawa, and that we should lay our case fully at the foot of the throne and see if British institutions required of us to sit silently under such a state of things; and I believe now and say without hesitation that we can get along better without the people of the east than they can without us. What would this Dominion be without Manitoba and the Northwest. I can understand the motives which impelled those men who framed the constitution that under it

might be dealt out to all the members fair play; and that under it might be bound together one great nation extending from the shores of the Atlantic to the Pacific—I can understand that sentiment, but how can it be successful if the majority are determined to grind down the minority, is there any reason why we should be compelled to sit quietly under it. I will illustrate the position Manitoba would occupy as a crown colony, by reference to the tariff that we pay into the Dominion treasury customs duties upon goods amounting to \$1,500,000 annually. Some will tell us that we should not take this as a correct *annual* estimate, that it is too high, because they say that in the year I have selected, the C. P. R. paid a large portion of this amount; but, sir, I maintain that instead of its being too high, to show the amount actually paid by our people, it is below the mark—for the reason that we pay at least fifty per cent. more on goods which we consume—which are taken out of bond in Ontario and Quebec. This will far more than counterbalance anything paid by the C. P. R., and of course does not appear in our favor, but it is credited to the two provinces named. Now what does this show? Assuming that the sum I have mentioned is paid upon an average duty of twenty-five per cent. What do we find, sir, with the estimates before us? That we could relieve the people from two-thirds of the taxes paid by way of contribution to the Dominion Treasury, and run the affairs of the Province on the remaining third; or in other words by levying a duty of eight per cent., instead of twenty-five, we could derive from this source alone a sufficient sum to meet our present necessities. Again, sir, will any person tell me, that with a liberal railway policy a few years ago, when capital was more easily obtained than at present, if then we had been allowed the free exercise of our privilege to charter lines in various directions, and had been allowed the use of resources which were naturally ours for the purpose of subsidizing such lines, that we would not have had to-day a perfect network of railways throughout the Province, and might soon have found ourselves in a similar position to our friends to the south of us. The state of Min-

nesota, with her extensive railway system, if we had adopted their system of taxing railways, we might now be deriving a large revenue from that source. In that state upon a tax of 3 per cent. upon railway earnings they receive annually some \$660,000. We are deprived of our resources and told that foreign capital shall not come in to build the lines of railway we so much need. These are some of the tributes we are paying to the grand scheme of Confederation. If it is to be a success there must be more than sentiment to bind it together and build it up; there must be as well, sir, unity of interests.

Yet we are told by some that we should not complain; but I am glad to find they are but few, and that the people and their representatives have at last become united upon a common demand which they propose to make in the interests of the country. I would speak with a voice of thunder if I could as a warning to the authorities that they go not too far, and of what will happen if they resist a united people such as we have in Manitoba to-day. (Applause.) We are told by some to go slow, and we are reminded of the good old day in Ontario, when our fathers went into the forests, and began with hoe and axe, and made themselves homes; we are told that they were in the bush, and worked among the stumps for 25 years without a railway. We will tell those people that we have a country more easily developed, and one that for that reason requires more at the start to develop it. We do not propose to go slowly. We did not come away from Ontario for the purpose of going slow, nor with any idea of going back a half a century in the march of civilization and general advancement, that has been made since the days of our boyhood. We came here with a full conviction that life is short, and we want to accomplish as much as we can and take advantage of all the improvements made since those days to develop Manitoba as rapidly as we can and make it the first Province of the Dominion. If we get the resources we ought to have, we will set such an example of progress before the other Provinces as will astonish them. I repeat that my policy was to go to the foot of the throne, but as we have in the despatch

another indication that this matter will be taken under the serious consideration of a commission, I am willing that they should have another opportunity ; but I throw out these ideas to show that we have something we can accomplish in another quarter if that extreme must be adopted. The estimates before us indicate that the expenditure of the Province must necessarily increase. If we compare it with that of last year or the year before, we shall find the expense continually increasing, and it is but natural that it should be so for a time, as works of various kinds have to be undertaken. A comparative statement of the receipts and expenditures for 1882-3 will show in what ratio the different heads have increased : Legislation, 1882, \$23,876.56 ; 1883, \$30,119.69 ; increase, \$6,243.13, or nearly 36 per cent. Civil Government, 1882, \$29,869.45 ; 1883, \$54,918.29 ; increase, \$25,048.84, being nearly 90 per cent. Administration of justice, 1882, \$28,266.56 ; 1883, \$62,178.08 ; increase, \$35,911.52, or 120 per cent. Education, 1882, \$33,645.62 ; 1883, \$51,354.38 ; increase, \$17,708.76, or over 50 per cent. Drainage increase 13 per cent. Government aid, 1882, \$16,436.78 ; 1883, \$54,042.42 ; increase, \$38,605.64, or 225 per cent. Total, 1881, \$243,635 ; 1882, \$382,270 ; 1883, \$506,399. My hon. friend thinks that the estimates have now arrived at a stationary amount, but I am afraid he does not take exactly the correct position.

I am afraid that as in the history of our other countries they will continue to increase as the wants and numbers of the people increase. As the Premier has stated to get a great increase of population under existing circumstances is not desirable. Still, the Government in its paternal care over us continues issuing pamphlets and doing what it can to induce people to come here. I hope the Government will devise some means by which people coming here may, at least a portion of them, be retained within the limits of the Province. The C. P. R. has been built so fast that we find people taking the railway and going to the west of us, so that we are not deriving the benefit we should get. When we get sufficient resources the Government should adopt means to retain a certain per-

centage of those who come, as we have a large amount of vacant lands, and as speculators are willing to sell. I am proud of this ultimatum, because it contains sentiments which I have entertained for a long time. I am proud we have put it as one of the rights of the Province of Manitoba to charter lines of railway from any one point to another point, except as limited by the Act of 1881. I am glad the Government has proposed to call attention to the fact of the high duties being prejudicial to the interests of the people of this Province. It is a victory for the people of Manitoba (because there is no mistaking their sentiments) that they, through their properly qualified representatives, have expressed themselves unanimously, without a dissenting voice, in favor of the principles enunciated in the Bill of Rights. With these accorded to us, as they must be accorded, we will show here a Province developed as no other Province has developed. As history has repeated itself, so we shall have a people raised up that by and by may perhaps vanquish their more southern foes. (Prolonged applause).

Memorandum of Sums Payable by Manitoba on Capital Account.

TOTAL.	HEADINGS IN DOMINION PUBLIC ACCOUNTS.	SHARE PAYABLE BY MANITOBA	AMOUNT.	TOTAL.
\$ 468,640 63	Organization of Government	1-12	\$ 39,053 38	
3,153,304 61	Dominion Lands Surveys Management	(say)	+ 1,500,000 00	
1,369,689 92	Expeditionary Force	1-12	114,140 82	
89,825 95	Compensation for Losses	1-12	7,483 99	
426,371 44	Public Works and Buildings	1-12	426,371 44	
1,460,000 00	Purchase of Territory	1-12	121,666 66	
335,140 44	Boundary Survey	1-12	28,925 03	
26,535,984 43	Canadian Pacific Railway		5,641,181 00	
58,871 94	Miscellaneous	1-12	4,906 00	
173,153 60	Customs. (Collection)		173,153 60	
59,990 49	Excise		* 59,990 49	
440,351 83	Post Office		* 440,351 83	
				\$8,607,224 24

* The sums chargeable to Northwest Territory under these headings is included in these amounts, as they are not separated in the Dominion Public Accounts.

+ This amount is larger than the estimate, in order to cover all possible expenses chargeable to Manitoba.

Interest Account Dominion of Canada in Account Province of Manitoba.

\$2,844,377 24	Principal expended on general account.....	@ 6 p.c.	170,662 62
121,666 00	do advanced on Purchase account	4 p.c.	4,866 64
5,641,181 00	do do on C. P. R. account	4 p.c.	225,647 24
<u>\$8,607,224 24</u>	do on all Capital accounts		<u>401,176 50</u>
	Averaging dates of expenditure, &c., at ten years the sum due by Manitoba at close of 1883, on Interest account would have been...	Dr.	4,011,765 00
	The Province has also received on account of Subsidy.		
	Justice.....\$1,176,739 03		
	Collection of Revenue.....151,606 90		
	213,102 17		
	Or a total on all accounts of		1,541,448 10
	While during the same period the Dominion has received from Manitoba :—		5,553,213 10
	From Customs		
	Excise.....\$4,855,311 23		
	Public Lands, (balance over } 651,913 88		
	expenses of survey and }		
	management)..... * 4,403,584 52		
			9,910,869 63
	Balance in favor of Manitoba.....		
			<u>4,357,656 53</u>

* The amount due on pre-emptions, estimated.

Memorandum Respecting Dominion Lands.—Manitoba.

YEAR ENDING 31ST OCTOBER.	ENTRIES ACCORDING TO REPORTS OF DEPARTMENT OF INTERIOR.	ACRES.	FEES RECEIVED.	TOTAL.
1880	Homesteads to date	1,819,456	113,716 00	
1881		438,707	28,339 00	
1882		1,001,620	62,690 00	
1883		483,677	*35,000 00	239,745 00
1880	Pre-emption to date.....	3,743,460	12,908 00	
1881		1,007,104	16,605 00	
1882		263,647	47,160 00	
1883		754,940	*63,000 00	139,673 00
		273,360		
		+2,299,051		
1880	Cash sales	922,515	125,153 50	
1881		335,165	176,566 00	
1882		575,663	1,189,244 00	
1883		172,415	*500,000 00	1,990,963 50
	} Note, cash, scrip and warrant lands are placed under one head- ing in Interior Report.....			
1880	Scrip and warrant sales.....	2,025,758	570,670 34	
1881		(lands are included in cash sales, see above)	84,097 00	
1882			54,791 00	
1883			no returns	709,558 34

*Estimated as Report for 1883 does not itemize cash receipts.

+There must be a gross error in this item. The fees of \$10 on each pre-emption should amount to more than the sum stated, and at an average price of \$1 per acre the pre-emption should have yielded in addition to the sum named

Up to the date of latest returns there had been surveyed of Manitoba lands 16,256,772 acres at a cost for surveys and management of 6 cents per acre, (see Dy. Min. Interior letter of December 9, 1880) or leaving a balance in favor of Manitoba of

\$5,378,990 84
975,406 32
\$4,403,584 52